

### § 1735.3

*Telephone exchange service* means: (1) Service provided primarily to fixed locations within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge; or

(2) Comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service.

*Telephone service* means any communication service for the transmission or reception of voice, data, sounds, signals, pictures, writing, or signs of all kinds by wire, fiber, radio, light, or other visual or electromagnetic means and includes all telephone lines, facilities and systems to render such service. It does not mean:

(1) Message telegram service;

(2) Community antenna television system services or facilities other than those intended exclusively for educational purposes; or

(3) Radio broadcasting services or facilities within the meaning of section 3(o) of the Communications Act of 1934, as amended.

*Times Interest Earned Ratio (TIER)* means the ratio of a borrower's net income (after taxes) plus interest expense, all divided by interest expense. For the purpose of this calculation, all amounts will be annual figures and interest expense will include only interest on debt with a maturity greater than one year.

*Total assets* means the sum of the balances of the following accounts of the borrower:

Account names	Number
(1) Current assets .....	1100s through 1300s.
(2) Noncurrent Assets .....	1400s through 1500s.
(3) Total telecommunications plant.	2001 through 2007.
(4) Less: Accumulated depreciation.	3100 through 3300s.
(5) Less: Accumulated amortization.	3400 through 3600s.

Note: All references regarding account numbers are to the Uniform System of Accounts (47 CFR part 32).

### 7 CFR Ch. XVII (1–12 Edition)

[54 FR 13351, Apr. 3, 1989; 54 FR 16194, Apr. 21, 1989. Redesignated at 55 FR 39395, Sept. 27, 1990, as amended at 56 FR 26596, June 10, 1991; 58 FR 66253, Dec. 20, 1993; 62 FR 46869, Sept. 5, 1997; 65 FR 42619, July 11, 2000; 65 FR 54402, Sept. 8, 2000]

### § 1735.3 Availability of forms.

Single copies of RUS forms and publications cited in this part are available from Program Support Regulatory Analysis, Rural Utilities Service, STOP 1522, 1400 Independence Ave., SW., Washington, DC 20250-1522. These RUS forms and publications may be reproduced. The terms “RUS form”, “RUS standard form”, and “RUS specification” have the same meanings as the terms “REA form” “REA standard form”, and “REA specification”, respectively, unless otherwise indicated.

[54 FR 13351, Apr. 3, 1989. Redesignated at 55 FR 39395, Sept. 27, 1990, as amended at 59 FR 66441, Dec. 27, 1994; 62 FR 46870, Sept. 5, 1997]

### §§ 1735.4–1735.9 [Reserved]

## Subpart B—Loan Purposes and Basic Policies

SOURCE: 54 FR 13351, Apr. 3, 1989, unless otherwise noted. Redesignated at 55 FR 39395, Sept. 27, 1990.

### § 1735.10 General.

(a) Loans made or guaranteed by the Administrator of RUS will be made in conformance with the Rural Electrification Act of 1936 (RE Act), as amended (7 U.S.C. 901 *et seq.*), and 7 CFR chapter XVII. RUS provides borrowers with specialized and technical accounting, engineering, and other managerial assistance in the construction and operation of their facilities when necessary to aid in the development of rural telephone service and to protect loan security. The Rural Utilities Service (RUS) makes loans to:

(1) Furnish and improve telephone service in rural areas; and

(2) To finance facilities and equipment which expand, improve or provide:

(i) 911 access;

(ii) Integrated interoperable emergency communications, including multiuse networks that provide commercial or transportation information